

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY,)	
INC. FOR AUTHORIZATION OF CHANGES IN)	CASE NO.
SERVICE TERRITORY WITH OWEN ELECTRIC)	2017-00389
COOPERATIVE)	

ORDER

On September 25, 2017, Duke Energy Kentucky, Inc. (“Duke Kentucky”) filed an application, pursuant to KRS 278.018, regarding the provision of electric service to certain lots in the Triple Crown Subdivision located in Richwood, Boone County, Kentucky. Specifically, Duke Kentucky requests approval for a change in its territorial boundary pursuant to an agreement that it entered into with Owen Electric Cooperative (“Owen Electric”). The agreement provides that Owen Electric will be the electric utility provider for lots 7 through 29, along Santos Drive and McCarron Lane, in the Triple Crown Subdivision Section 32A. Thus, the agreement will also change Owen Electric’s territorial boundary line.

Duke Kentucky states that the requested change will serve the purposes of KRS 278.016 by avoiding unnecessary encumbering of the landscape and the duplication of facilities and by minimizing disputes between electric suppliers. The executed agreement, along with signed copies of the quadrant and detail maps depicting the existing boundary line and the proposed boundary line, were attached as an exhibit to Duke Kentucky’s application. Duke Kentucky also requests a deviation

from 807 KAR 5:001, Section 7,¹ to allow it to file only two complete sets of maps due to the size and scale of those maps.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that the development of a residential subdivision that straddles adjacent electric utility providers often creates contentious issues that must be adjudicated under KRS 278.016 to KRS 278.018, which governs the certified territorial boundaries of retail electric suppliers in Kentucky. Those issues typically involve which electric supplier has the right to serve which residential premise located within the subdivision. Fortunately, these issues need not be adjudicated here because the two adjacent electric suppliers, Duke Kentucky and Owen Electric, have agreed to revise the boundary line at issue in a manner that promotes the purposes of KRS 278.016 and will enable the two electric suppliers the ability to provide adequate and reasonable service to all affected areas and consumers.

The Commission further finds the agreement to be reasonable and, on that basis, we will approve it. Lastly, we commend Duke Kentucky and Owen Electric for their efforts to amicably resolve what could have been vigorously disputed issues, thereby saving all parties valuable time, effort, and expense.

IT IS THEREFORE ORDERED that:

1. Duke Kentucky's application for approval of the boundary change agreement between Duke Kentucky and Owen Electric regarding electric service to lots

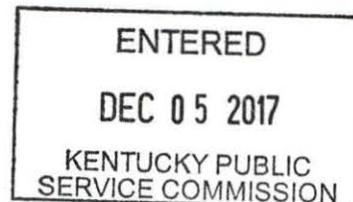
¹ 807 KAR 5:001, Section 7(1), provides as follows: "Unless the commission orders otherwise or the electronic filing procedures established in Section 8 of this administrative regulation are used, if a paper is filed with the commission, an original and ten (10) additional copies in paper medium shall be filed."

7 through 29 of the Triple Crown Subdivision in Richwood, Boone County, Kentucky, is granted.

2. A copy of the revised Territorial Map, with the revisions signed by representatives of Duke Kentucky and Owen Electric on December 27, 2016, and January 5, 2017, respectively, is attached hereto as an Appendix to this Order, and as it reflects the agreed-upon amended territorial boundary and the written agreement of Duke Kentucky and Owen Electric, it shall be attached to the Commission's official territorial boundary map.

3. Duke Kentucky's request for deviation from the filing requirements of 807 KAR 5:001, Section 7(1) is approved.

By the Commission

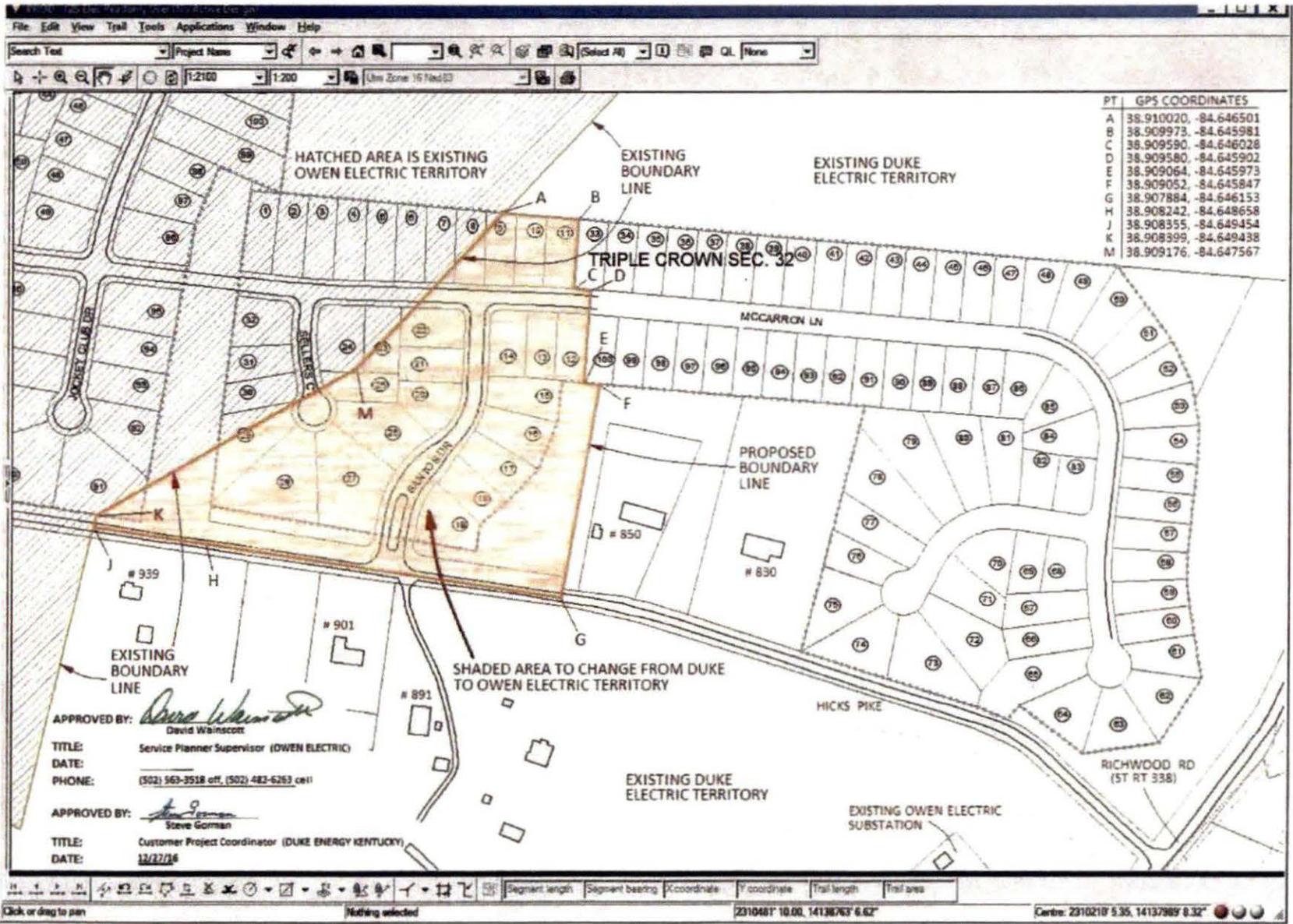


ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00389 DATED **DEC 05 2017**



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